REMARKS

Claim rejections under 35 U.S.C. § 112

In view of the amendment to claim 31, reconsideration of the rejection is requested. As claim 41 had a similar limitation, claim 41 has also been amended.

Claim rejections under 35 U.S.C. § 102

Claims 31-60 were rejected under 35 U.S.C. § 102(e) as being anticipated by Srinivasan. In response thereto, independent claims 31, 41, and 51 have been amended to patentably distinguish over Srinivasan.

The system of claim 51 now specifies that the receiver is a personal-use receiver such as a receiver that is under the control of a consumer. The system shown in Figure 12 of Srinivasan does not anticipate the system claim in claim 51. Foremost, the system of Figure 12 does not store content or advertisements in the CPU 117 as asserted by the examiner. See Paper No. 200581121, page 3. Namely, the cited portion of Srinivasan merely indicates that the CPU 177 has a cache memory or a random access memory but does not explicitly state that content is cached in the CPU. Column 20, lines 54-65. Rather, as shown in Figure 12, the annotated data stream comes in as the stream 125 and goes to the CPU/cache/RAM 117. From the RAM 117, the data goes down to the data stream buffer 131 which is part of the pipeline 129. The annotation stream is basically overlaid annotations, such as subtitling, sponsor logos, information blocks, and the like. See column 2, lines 11-12 and column 2, lines 32-35.

At the same time, the video broadcast stream 127 comes in as indicated at the bottom of Figure 12. The video broadcast stream comes in at 127 and goes into the video stream buffer 133 of the pipeline 129. Then synchronization occurs between the content in the data stream buffer 131 and the video stream buffer 133. However, the actual merging of the content occurs, not in the buffer, but rather in the signal combining module 135. See column 21, line 5. Therefore, Srinivasan does not cache content and allow a user to select a particular content item from the cache for playback.

Moreover, Srinivasan's alleged detection of a pause in the playback of content that the examiner refers to in the rejection of claim 58 has nothing to do with a personal-use receiver. Rather, control of ad selection and insertion is at the ad server. Column 32, lines 12-65. Control by the server includes inserting scheduled timeslots at *predetermined* intervals in a broadcast video. Column 31, lines 15-31. In Srinivasan's preferred embodiment the *server* 221 selects the

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ads for the timeslots, and inserts the selected ads in the appropriate slot, which occurs prior to transmission of the video to a subscriber. Column 31, lines 30-57; Figure 16. Thus, advertisements can be played only at predetermined times that are set before transmission of the broadcast video. Clearly, the system shown in Figure 12 of Srinivasan does not detect an interruption in the access to a particular content item that is cached on the receiver such as a user-initiated pause or another type of lull, and in response thereto insert an advertisement for display.
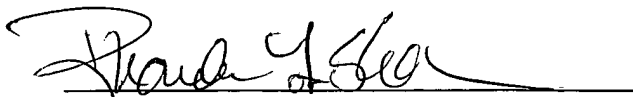
In an embodiment of the present invention content, including video, graphics, audio, games, and advertisements, may be stored on a receiver such as a set-top box, a desktop computer, or a hand-held device. Specification, pages 4-9; page 11. Once stored, the receiver may control the use of the content including access to the content and interruption of the content. *Id.* Because the receiver has latitude in the control of the cached content, a number of scenarios are possible. For example, if an advantageous condition arises such as reaching a stopping point while watching a video or playing a game, the receiver may detect that condition and insert an advertisement for display. *Id.* As an extension to this example (which is a non-limiting example) the receiver may not allow a user to restart the content until the commercial has finished. *Id.* Srinivasan's receiver does not have the functionality of the system claimed in claim 51. Thus, this claim and claims dependent thereon are in condition for allowance.

Under a similar analysis, independent claims 31 and 41, and respective dependent claims are in condition for allowance.

In consideration of the remarks and amendments herein, the application in condition for allowance. The examiner's prompt action in accordance therewith is respectfully requested.

Respectfully submitted,

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